Street Improvement Districts HF1565



Rep Steve Elkins | House District 49B Rep.Steve.Elkins@House.MN

Local Funding for Roads and Bridges

- Property Taxes are the primary source of revenue for the maintenance of city streets
- Cities over 5,000 in population receive 9% of State Gas revenues for their Municipal State Aid roads
 - No more than 20% of a City's street miles can be included in the MSA program.
- Cities under 5,000 in population receive nothing
- Property taxes paid to build and maintain county roads and city streets are the single largest source of funding to support roads and bridges for the State as a whole – more than the State gas tax.
- Overall, 45% of funding for all roads and bridges in Minnesota is provided by local taxes paid by City and County Taxpayers.

Street Impact Fees vs Street Improvement Districts

- Street Impact Fees (HF527-Masin)
 - Suitable primarily for green field development (areas being opened to development for the first time).
- Street Improvement Districts (HF1565-Elkins)
 - Suitable primarily for redevelopment at intensifying development densities

How a Street Improvement District Would Work for a\$1.5 Million Intersection Improvement Project.

Intersection



1

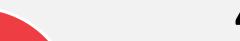
A Walmart is built on the Northwest corner of a busy intersection. The intersection gets busier, buts still functions.



A Home Depot is built on the Northeast corner of the intersection. Congestion is becoming intolerable.



A Costco is built on the Southwest corner of the intersection. Congestion gets even worse.



A Cub Foods is proposed for the Southeast corner of the intersection. The intersection would fail if this proposal is approved.



Who should pay for these improvements?

- If it were not for this redevelopment activity, the intersection improvements would not be necessary. Why should local homeowners be required to pay for these improvements?

 Note: Retail does not generally "pay its own way" from property taxes, alone, because of the traffic and police calls generated. (Tischler-Bise fiscal analysis)
- Should Cub Foods be required to pay the entire cost of the improvement just because they were the developer whose development "broke the camel's back"?

How a Street Improvement District Would Work for a\$1.5 Million Intersection Improvement Project.



1

5,000 Trips Per Day 33% of Trips \$500,000 Share



3

3,000 Trips Per Day 20% of Trips \$300,000 Share



2

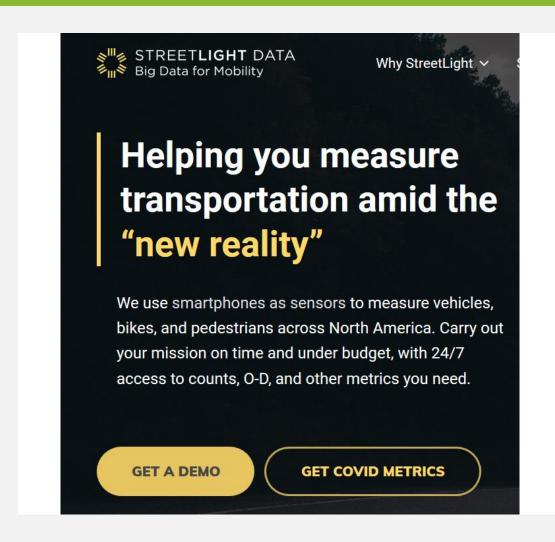
4,000 Trips Per Day 27% of Trips \$400,000 Share



4

3,000 Trips Per Day 20% of Trips \$300,000 Share

Trip Estimation Method



- Trip share would be calculated from actual trip data collected from anonymous smartphone data by StreetLight Data.
- Database contains about 1/3 of all trips.
- Data is highly secured and only aggregated data is shown (no individual trips are ever displayed.
- Service is used by MNDOT, Met Council and many cities.

Hospitals & Charity Care

ALL SECTIONS | P



Mayo Clinic posts \$728 million in income despite pandemic

After an initial hit, demand for COVID test helps to drive strong results.

By Christopher Snowbeck and Christopher Snowbeck Star Tribune

MARCH 1, 2021 - 1:40PM



 All Hospitals are required to provide charity care, including highly profitable ones.



Thank You

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651-296-7803